

SENATE BILL 285

C2

(11r0090)

ENROLLED BILL

— *Education, Health, and Environmental Affairs/Economic Matters* —

Introduced by **Chair, Education, Health, and Environmental Affairs Committee**
(By Request – Departmental – Labor, Licensing and Regulation)

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

_____ day of _____ at _____ o'clock, _____ M.

President.

CHAPTER _____

1 AN ACT concerning

2 **State Real Estate Commission – Reinstatement of Licenses and Inactive**
3 **Status**

4 FOR the purpose of altering the time periods within which a licensee must reinstate a
5 license that has expired and reactivate a license that has been placed on
6 inactive status; requiring certain licensees to comply with certain continuing
7 education requirements as a condition of licensure renewal; *providing for the*
8 *application of this Act*; and generally relating to the State Real Estate
9 Commission.

10 BY repealing and reenacting, with amendments,
11 Article – Business Occupations and Professions
12 Section 17–314 and 17–316
13 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber/conference committee amendments.



1 (2010 Replacement Volume)

2 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
3 MARYLAND, That the Laws of Maryland read as follows:

4 **Article – Business Occupations and Professions**

5 17–314.

6 (a) Except as provided in subsection (c) of this section, unless a real estate
7 broker license is renewed for a 2–year term as provided in this section, the license
8 expires on the first March 1 that comes:

9 (1) after the effective date of the license; and

10 (2) in an even–numbered year.

11 (b) Except as provided in subsection (c) of this section, unless an associate
12 real estate broker or real estate salesperson license is renewed for a 2–year term as
13 provided in this section, the license expires on the first April 30 that comes:

14 (1) after the effective date of the license; and

15 (2) in an even–numbered year.

16 (c) The Secretary may determine that licenses issued under this title shall
17 expire on a staggered basis.

18 (d) (1) At least 1 month before a license expires, the Commission shall
19 mail to the licensee, as provided in paragraph (2) of this subsection:

20 (i) a renewal application form; and

21 (ii) a notice that states:

22 1. the date on which the current license expires;

23 2. the date by which the Commission must receive the
24 renewal application for the renewal to be issued and mailed before the license expires;
25 and

26 3. the amount of the renewal fee.

27 (2) (i) If the licensee is a real estate broker, the Commission shall
28 mail the renewal application form and notice to the principal office of the broker.

1 (ii) If the licensee is an associate real estate broker or a real
2 estate salesperson, the Commission shall mail the renewal application form and notice
3 to the principal office of the real estate broker with whom the licensee is affiliated.

4 (e) Before a license expires, the licensee periodically may renew it for an
5 additional 2-year term, if the licensee:

6 (1) otherwise is entitled to be licensed;

7 (2) pays to the Commission a renewal fee set by the Commission;

8 (3) submits to the Commission a renewal application on the form that
9 the Commission provides;

10 (4) submits to the Commission the original certificate of completion
11 verifying that the licensee has complied with the continuing education requirements
12 under § 17-315 of this subtitle;

13 (5) notifies the Commission of the name of each real estate broker
14 with whom the licensee then is affiliated; and

15 (6) for the renewal of a real estate broker license:

16 (i) submits to the Commission, by a credit reporting agency
17 approved by the Commission, a credit report that contains the information required by
18 the Commission; or

19 (ii) pays to the Commission or the Commission's designee a
20 credit report fee in an amount not to exceed the cost charged by a credit reporting
21 agency approved by the Commission to obtain a credit report that contains the
22 information required by the Commission for renewal of a real estate broker license.

23 (f) The Commission shall renew the license of and issue a renewal certificate
24 and pocket card to each licensee who meets the requirements of this section.

25 (g) The Commission shall reinstate the license of a licensee under this title
26 whose license has expired if the licensee:

27 (1) applies to the Commission for reinstatement within **[4] 3** years
28 after the license expires;

29 (2) meets the requirement of good character and reputation;

30 (3) complies with the applicable continuing education requirement for
31 the period during which the individual was not licensed; and

1 (4) pays to the Commission a reinstatement fee set by the
2 Commission.

3 17-316.

4 (a) (1) The Commission shall place the license of a real estate broker on
5 inactive status if the real estate broker:

6 (i) requests that the license of the broker be placed on inactive
7 status; and

8 (ii) surrenders the license certificate and pocket card of the
9 broker to the Commission.

10 (2) The Commission shall place the license of an associate real estate
11 broker or a real estate salesperson on inactive status if:

12 (i) the associate broker or salesperson no longer is affiliated
13 with the licensed real estate broker whose firm is named in the license certificate of
14 the associate broker or salesperson; or

15 (ii) the associate broker or salesperson:

16 1. requests that the license of the associate broker or
17 salesperson be placed on inactive status; and

18 2. surrenders the license certificate and pocket card of
19 the associate broker or salesperson to the Commission.

20 (b) (1) A licensee whose license is on inactive status may not provide real
21 estate brokerage services through that license.

22 (2) The placement of a license on inactive status does not affect the
23 power of the Commission to suspend or revoke the license or to take any other
24 disciplinary action against the licensee.

25 (c) Unless a license on inactive status is reactivated, the license expires **[4] 3**
26 years after the date it is placed on inactive status.

27 (d) (1) Subject to paragraph (2) of this subsection, a licensee whose license
28 is on inactive status remains responsible for renewing the license as required under §
29 17-314 of this subtitle.

30 (2) Subject to the **[4-year] 3-YEAR** limitation under subsection (c) of
31 this section, a licensee may renew a license while it is on inactive status ~~without~~

1 ~~complying~~ **IF THE LICENSEE COMPLIES** with the continuing education requirements
2 of § 17–315 of this subtitle.

3 (e) (1) The Commission shall reactivate the license of a real estate broker
4 that is on inactive status and reissue a license certificate and pocket card to the broker
5 if the broker:

6 (i) requests that the license be reactivated;

7 (ii) pays to the Commission a reissuance fee set by the
8 Commission; and

9 (iii) meets the continuing education requirements that would
10 have been required for renewal of a license under § 17–315 of this subtitle if the
11 license had not been on inactive status.

12 (2) The Commission shall reactivate the license of an associate real
13 estate broker or a real estate salesperson that is on inactive status and reissue a
14 license certificate and pocket card to the associate broker or salesperson if the
15 associate broker or salesperson:

16 (i) requests that the license be reactivated;

17 (ii) pays to the Commission a reissuance fee set by the
18 Commission;

19 (iii) meets the continuing education requirements that would
20 have been required for renewal of a license under § 17–315 of this subtitle if the
21 license had not been on inactive status; and

22 (iv) submits to the Commission adequate evidence that the
23 associate broker or salesperson has obtained, from a licensed real estate broker, a
24 commitment providing that the associate broker or salesperson shall become affiliated
25 with the broker as an associate real estate broker or a real estate salesperson on
26 reactivation of the license of the associate broker or salesperson.

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act applies only to
28 licensees whose license is placed on inactive status on or after October 1, 2011.

29 SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take
30 effect October 1, 2011.